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INFO LOG-00 ADS-00 INR-10 SS-00 CIAE-00 DODE-00 H-01 MSC-01 NSCE-00 NSAE-00 HA-09 L-03 TRSE-00 PM-10 PA-01 OMB-01 INRE-00 USIE-00 SP-02 SNP-01 C-01 PRS-01 P-02 T-01 /044 W

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R 042009Z AUG 88
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 2238
INFO AMCONSUL GUADALAJARA
AMCONSUL MONTERREY
AMCONSUL CIUDAD JUAREZ POUCH
AMCONSUL HERMOSILLO POUCH
AMCONSUL MATAMOROS POUCH
AMCONSUL MAZATLAN POUCH
AMCONSUL NUEVO LAREDO POUCH
AMCONSUL TIJUANA POUCH

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E.O. 12356: DECL:OADR TAGS: PGOV. MX

SUBJECT: CHANGE IN PRI LEADERSHIP

1. (U) AT A HASTILY CONVOKED EXTRAORDINARY SESSION OF THE PRI NATIONAL EXECUTIVE COMMITTEE THE EVENING OF AUGUST 2, SECRETARY OF URBAN DEVELOPMENT AND ECOLOGY MANUEL CAMACHO SOLIS WAS ELECTED THE PARTY'S NEW SECRETARY GENERAL REPLACING HUMBERTO LUGO GIL WHO WILL SOON REPRESENT THE STATE OF HIDALGO IN THE SENATE. THE PRI'S LABOR SECTOR NOMINATED CAMACHO TO THE SECRETARY GENERAL POSITION WHICH RANKS SECOND IN THE PARTY HIERARCHY. IN HIS ACCEPTANCE SPEECH, CAMACHO INDICATED THE PRI WOULD FOLLOW AN "OPEN DOORS" POLICY IN WHICH IT WOULD LISTEN TO THE VIEWS OF ALL PARTY CONFIDENTIAL

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MEMBERS AND SECTORS OF SOCIETY. HE ALSO ALLUDED TO THE POSSIBILITY OF DIALOGUE WITH THE OPPOSITION AND EVEN ALLIANCES WHICH WOULD SERVE THE NATIONAL AGENDA. IN A VEILED WARNING TO THE OPPOSITION, CAMACHO STATED THE PRI WOULD DEFEND ITS VICTORIES AND RECOGNIZE ITS DEFEATS, DEMANDING THE SAME OF THE OPPOSITION SO THAT THE ONGOING POLITICAL COMPETITION DOES NOT FRACTURE MEXICAN SOCIETY. IN CLOSING, CAMACHO SAID THE JULY 6 ELECTIONS HAD OPENED "A GREAT HISTORICAL OPPORTUNITY" FOR THE PRI.

REVIEW AUTHORITY: Janina Slattery, Senior Reviewer

- 2. (C) COMMENT: RUMORS HAVE BEEN CIRCULATING FOR SOME TIME ABOUT A POSSIBLE CHANGE IN THE PARTY'S LEADERSHIP FOLLOWING ITS RELATIVELY POOR PERFORMANCE IN THE ELECTIONS. MANY OBSERVERS THOUGHT PARTY PRESIDENT JORGE DE LA VEGA WOULD BE THE SCAPEGOAT, BUT INSTEAD THE SALINAS TEAM HAS OPTED TO KEEP HIM IN HIS POSITION WHILE ELEVATING CAMACHO TO THE NUMBER TWO SLOT IN WHICH THE FORMER SEDUE SECRETARY MAY IN FACT EXERCISE CONTROL OF THE PARTY. BY FAILING TO SACRIFICE DE LA VEGA, THE SALINAS TEAM HAS SIMULTANEOUSLY SENT A MESSAGE TO PARTY "DINOSAURS" OF ITS WILLINGNESS TO CONTINUE TO WORK WITH OLD GUARD MILITANTS PROVIDED THEY ARE ALSO COMMITTED TO THE MODERNIZATION OF THE PARTY.
- 3. (C) THE FACT THAT FIDEL VELAZQUEZ'S LABOR SECTOR NOMINATED CAMACHO INDICATES THAT, AT THIS POINT ANYWAY, THE ENTIRE PARTY IS RALLYING AROUND BELEAGUERED CANDIDATE-ELECT SALINAS AND POINT MAN CAMACHO. VELAZQUEZ WAS VISIBLE ON STAGE WITH CAMACHO IN COMPARISON TO THE LABOR LEADER'S DISAPPEARING ACT WHEN SALINAS WAS UNVEILED AS THE PRI PRESIDENTIAL CANDIDATE LAST OCTOBER.

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4. (C) CAMACHO'S TASK OF REVITALIZING THE PARTY WILL NOT BE AN EASY ONE BUT HE HAS PROVEN HIS METTLE AS SEDUE SECRETARY AND HAS THE FULL CONFIDENCE OF SALINAS AS HE INSTITUTES CHANGES. IT IS TOO EARLY TO SAY WHETHER CAMACHO WILL ENTER THE SALINAS CABINET IN DECEMBER, BUT THAT POSSIBILITY CAN NOT BE EXCLUDED. IN ANY EVENT, SERVING AS PRI SECRETARY GENERAL SHOULD STRENGTHEN CAMACHO'S OWN POSITION WITHIN THE PARTY, GIVING HIM THE OPPORTUNITY TO DEVELOP THE TYPE OF GRASS ROOTS SUPPORT WHICH ELUDED SALINAS HIMSELF IN THE PRESIDENTIAL RACE. GAMBLE

